

## **Attachment 6 Questions and Answers**

**The following questions were submitted in writing by Vendor A. (Answers follow.)**

**1. What is PEBA's budget for the requested actuarial review services?**

**A:** There is no specific budget for this audit.

**2. When was the last time an actuarial audit was conducted?**

**A:** The last actuarial audit was conducted in early 2017 as an audit of the July 1, 2016, valuations.

**3. Who performed these services the last time an actuarial audit was conducted? Were there any service concerns or limitations with the prior provider?**

**A:** Segal Consulting performed the last actuarial audit. There were no service concerns or limitations with the previous provider.

**4. Is the actuary who conducted this work previously permitted to bid?**

**A:** Yes.

**5. Are there any improvements, such as timing, fees, or quality that PEBA is hoping to achieve with this procurement?**

**A:** The purpose of the audit is to verify the accuracy of the assumptions, actuarial methods and procedures used by our retained actuary in producing the valuations and experience study.

**6. What were the total fees billed for these services the last time they were performed?**

**A:** \$125,000

**7. Will PEBA accept experience with a similar sized private sector pension plan for references?**

A: No. The RFP requirements stand as written.

**8. Will PEBA accept experience other than actuarial audit (such as actuarial valuations, experience study etc.) for a similar sized public sector plan for references?**

A: No. The RFP requirements stand as written.

**9. Please confirm that, consistent with the description of the requested services as a Level Two Actuarial Audit, the actuary will not need to perform full replication of valuation results, and will instead use a sampling of participant data to test the results of the valuation.**

A: Confirmed

**10. Our firm prefers to contract for actuarial services with a limit on liability for ordinary mistakes. However, we accept unlimited liability for: (i) willful, fraudulent or criminal misconduct, (ii) breach of the confidentiality provisions; and (iii) bodily injury, including death, or damage to tangible personal or real property incurred while performing the Services and to the extent caused by the negligent or willful acts or omissions of our personnel. Please confirm that the South Carolina PEBA is willing to negotiate a prudent amount of potential payment that is acceptable to both parties, with exceptions noted.**

A: No. The RFP requirements stand as written.

**The following questions were submitted in writing by Vendor B. (Answers follow.)**

**11. If the fees for a Level One audit were similar to a Level Two audit, would PEBA entertain a proposal for a Level One audit?**

A: No. The RFP requirements stand as written.

**12. Does PEBA have an estimated budget for this project?**

A: There is no specific budget for this audit.

**13. When was the last actuarial audit performed for PEBA?**

A: The last actuarial audit was conducted in early 2017 as an audit of the July 1, 2016, valuations.

**14. Does PEBA have a minority participation target for this RFP?**

**A:** No.

**The following question was submitted in writing by Vendor C. (Answer follows.)**

**15. The RFP states the following as a minimum requirement:**

*Offeror has been in existence as a business entity and has been providing actuarial audit and/or valuation services for a minimum of three (3) years.*

**Would you consider reducing the minimum of three (3) years of experience as an actuarial firm to two (2) years of experience as an actuarial firm if the primary or lead actuary has a minimum of 20 years of experience as an actuary providing actuarial valuations, experience studies, actuarial audits, and pension consulting services for retirement plans?**

**A:** No. The RFP requirements stand as written.

**The following questions were submitted in writing by Vendor D. (Answers follow.)**

**16. Will PEBA reconsider limiting its liability to a reasonable limit?**

**A:** No. The RFP requirements stand as written.

**17. Will PEBA waive all consequential and indirect damages?**

**A:** No. The RFP requirements stand as written.

**18. Will PEBA consider removing liquidated damages from its Agreement?**

**A:** No. The RFP requirements stand as written.

**19. Will PEBA limit vendor's indemnification obligation to third party claims?**

**A:** No. The RFP requirements stand as written.